GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2923
ANSWERED ON:15.03.2001
PROFIT EARNED BY ONGC FROM NEELAM OIL FIELDS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether a gross profit of Rs.750 crore is expected by the ONGC during the current fiscal year from the Neelam Oil-fields;

(b) if so, whether the Government has succeeded in turning around middle-aged Mumbai offshore field which is currently producing 32,000 barrels per day;

(c) to what extent it will save the foreign exchange;

(d) whether a target of 1.5 million tonnes output will be achieved by the Neelam, oil-fields; and

(e) if so, the details thereof?

Answer

Minister of State in the Ministry of Petroleum & Natural Gas (Shri Santosh Kumar Gangwar)

(a): According to the latest estimates during the year 2000-01 expected operating profit, before adjustment of depreciation, depletion, amortization, corporate tax and interest from Neelam oilfield is likely to be of the order of Rs.525 crores.

(b) Yes, Sir.

(c): Any domestic production of crude oil helps the country to reduce import and save foreign exchange. Since the oil prices are volatile, the actual quantum of foreign exchange saving would depend on the prevalent prices of crude oil.

(d) &(e): During an ONGC mid term review carried out in September 2000 for enhanced oil production from ONGC fields, the target for Neelam field was enhanced from the original 1.30 MMT to 1.454 MMT for 2000-01. This target is likely to be surpassed.